



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Continued Presentation, Public Hearing and Adoption of the City of Lodi and Lodi Redevelopment Agency Fiscal Year 2007-08 Operating and Capital Outlay Budgets.

MEETING DATE: May 30, 2007

PREPARED BY: City Manager

RECOMMENDED ACTION: Receive presentation on the proposed Fiscal Year 2007-08 Budget, conduct a public hearing, provide direction, and adopt "A Resolution of the Lodi City Council adopting the 2007-08 Operating and Capital Improvement Budget and Further Approving the 2007-08 Appropriations Spending Limit", and adopt "A Resolution of the Lodi Redevelopment Agency Appropriating \$300,000 for the Community Redevelopment Agency as part of the Fiscal Year 2007-08 Operating and Capital Improvement Budget".

BACKGROUND INFORMATION: The Council and public are invited to receive a continued presentation on the FY 2007-08 Budget. Drafts of the budget have previously been distributed to the Council and press. (Council, note: please bring your copy of the budget.) Department presentations that commenced at the May 16 City Council meeting will continue. Brief presentations will be made by:

Electric Utility
Public Works – Water, Wastewater, Streets, Transit, and Facilities
Library
Community Center
City Manager
City Clerk
City Attorney
Internal Services
Non Departmental
Redevelopment Agency

In addition to department presentations, Council will receive the recommendations of the Budget and Finance Committee to the City Manager.

APPROVED: _____

Blair King, City Manager

Council will be asked to provide direction with regard to the continued use of the frozen/mandated vacancies and their accounting in the FY 2007-08 budget. It is apparent that the concept and/or perhaps staffs presentation of the concept has created confusion for the readers of the budget. Because the basic purpose of the budget document is to provide simple straightforward information, if the continued use of the frozen/mandated is creating confusion, then the Council needs to provide direction with regard to its continued use. The Council will receive the "best case" reasons for continuing the use of frozen/mandated vacancies and the best case for their elimination with the FY 07-08 budget.

Also, the Council will also be requested to provide direction with regard to budget alternatives. These are alternatives that have not been included in the budget, but are changes to the budget, the organization, or policy considerations for Council action. At a minimum, the Council will be asked to consider a proposal for the reorganization of Code Enforcement and property maintenance services, and a proposal for a library capital project that will include a new heating, ventilation, and air conditioning system, along with renovations to elements of the library. The Code Enforcement proposal will have no net affect upon the General Fund budget.

As a separate matter, the Council will be requested to provide initial direction with regard to researching and exploring the potential combination of the Parks and Recreation Department and the Hutchins Street Square Department.

Although not required, a Public Hearing has been noticed and the public has been invited to make comments.

Resolutions of approval for the Operating and Capital Improvement Budget and the Redevelopment Agency Budget for Fiscal Year 2007-2008 have been prepared for Council consideration.

FISCAL IMPACT: The Budget will establish funding and service limits for Fiscal Year 2007-08.

FUNDING AVAILABLE: None required



Blair King, City Manager

RESOLUTION NO. 2007-94

A RESOLUTION OF THE LODI CITY COUNCIL ADOPTING THE FISCAL
YEAR 2007-08 OPERATING AND CAPITAL IMPROVEMENT BUDGET AND
FURTHER APPROVING THE FISCAL YEAR 2007-08
APPROPRIATIONS SPENDING LIMIT

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WHEREAS, the Fiscal Year 2007-08 Operating and Capital Improvement Budget was prepared in accordance with the City Council's goals, budget assumptions, and policies; and

WHEREAS, the City Council conducted public budget meetings on May 8, May 16, May 22, and May 30, 2007, at the Carnegie Forum; and

WHEREAS, the City Council is required to adopt the Appropriations Spending Limit for Fiscal Year 2007-08; and

WHEREAS, the Appropriations Spending Limit and the annual adjustment factors selected to calculate the Limit are part of the Financial Plan and Budget.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi as follows:

1. That the Fiscal Year 2007-08 Operating and Capital Improvement Budget, as proposed by the City Manager and amended by the City Council, be approved as follows:

	Budget
General Fund	
Police	14,692,716
Fire	9,000,340
Public Works	3,500,297
Parks and Recreation	3,791,698
Community Center	1,462,957
City Clerk	494,743
City Attorney	488,573
City Manager	627,420
Economic Development	223,220
Internal Services	4,225,243
Non-Departmental	6,366,018
Total General Fund	44,873,225
Electric Utility Fund	75,454,770
Water Utility Fund	19,979,528
Wastewater Utility Fund	38,424,331
Library Fund	2,399,767
Community Development Fund	1,954,765
Community Development Block Grant Fund	1,055,049
Streets Fund	6,239,110
Transit Fund	6,247,430
Benefits Fund	7,636,917
Self Insurance Fund	2,949,147
Capital Outlay Fund	1,850,299
Debt Service Fund	1,783,747
Vehicle and Equipment Replacement Fund	350,811
Fleet Services Fund	1,815,246
Transportation Development Act	141,003
Trust and Agency Fund	202,651
Total All Funds	213,357,796

2. That the funds for the 2007-08 Operating Budget are appropriated as summarized in the document on file in the City Clerk's Office: and
3. That the Appropriations Spending Limit be increased by \$3,693,160 from the 2006-07 level of \$68,905,066 to the 2007-08 level of \$72,598,226 (Attachment A).

Dated: May 30, 2007

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I hereby certify that Resolution No. 2007-94 was passed and adopted by the City Council of the City of Lodi in a special joint meeting with the Redevelopment Agency of the City of Lodi held May 30, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk

2007-08 FINANCIAL PLAN AND BUDGET**APPROPRIATIONS SPENDING LIMIT****2007-08 APPROPRIATIONS SPENDING LIMIT**

				AMOUNT
Last Year's Limit				68,905,066
Adjustment Factors				
1	Population %	1.0090		
2	Inflation %	1.0442		
Total Adjustment %				1.0536
Annual Adjustment				3,693,160
Adjustments				None
Total Adjustments				3,693,160
2007-08 APPROPRIATIONS SPENDING LIMIT				72,598,226

2007-08 APPROPRIATIONS SUBJECT TO LIMITATION

		AMOUNT
PROCEEDS OF TAXES		36,782,756
EXCLUSIONS		-
APPROPRIATIONS SUBJECT TO LIMITATION		36,782,756
CURRENT YEAR LIMIT		72,598,226
OVER(UNDER) LIMIT		(35,815,470)

RESOLUTION NO. RDA2007-01

A RESOLUTION OF THE LODI REDEVELOPMENT AGENCY
APPROPRIATING \$300,000 FOR THE COMMUNITY REDEVELOPMENT
AGENCY AS PART OF THE FISCAL YEAR 2007-08 OPERATING AND
CAPITAL IMPROVEMENT BUDGET

WHEREAS, the City Manager / Agency Executive Director submitted the Fiscal Year 2007-08 balanced Operating and Capital Improvement Budget to the Redevelopment Agency on May 30, 2007; and

WHEREAS, contained within the proposed budget is an appropriation of \$300,000 for the Community Redevelopment Agency.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Lodi as follows:

1. That the 2007-08 Operating and Capital Improvement Budget, as proposed by the City Manager and amended by the City Council, be approved to include an appropriation of \$300,000 for the Community Redevelopment Agency.

Dated: May 30, 2007

I hereby certify that Resolution No. RDA2007-01 was passed and adopted by the Redevelopment Agency of the City of Lodi in a special joint meeting with the Lodi City Council held May 30, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, and
Chairperson Johnson

NOES: COUNCIL MEMBERS – Mounce

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL
Agency Secretary
Redevelopment Agency of the City of Lodi



the city of lodi

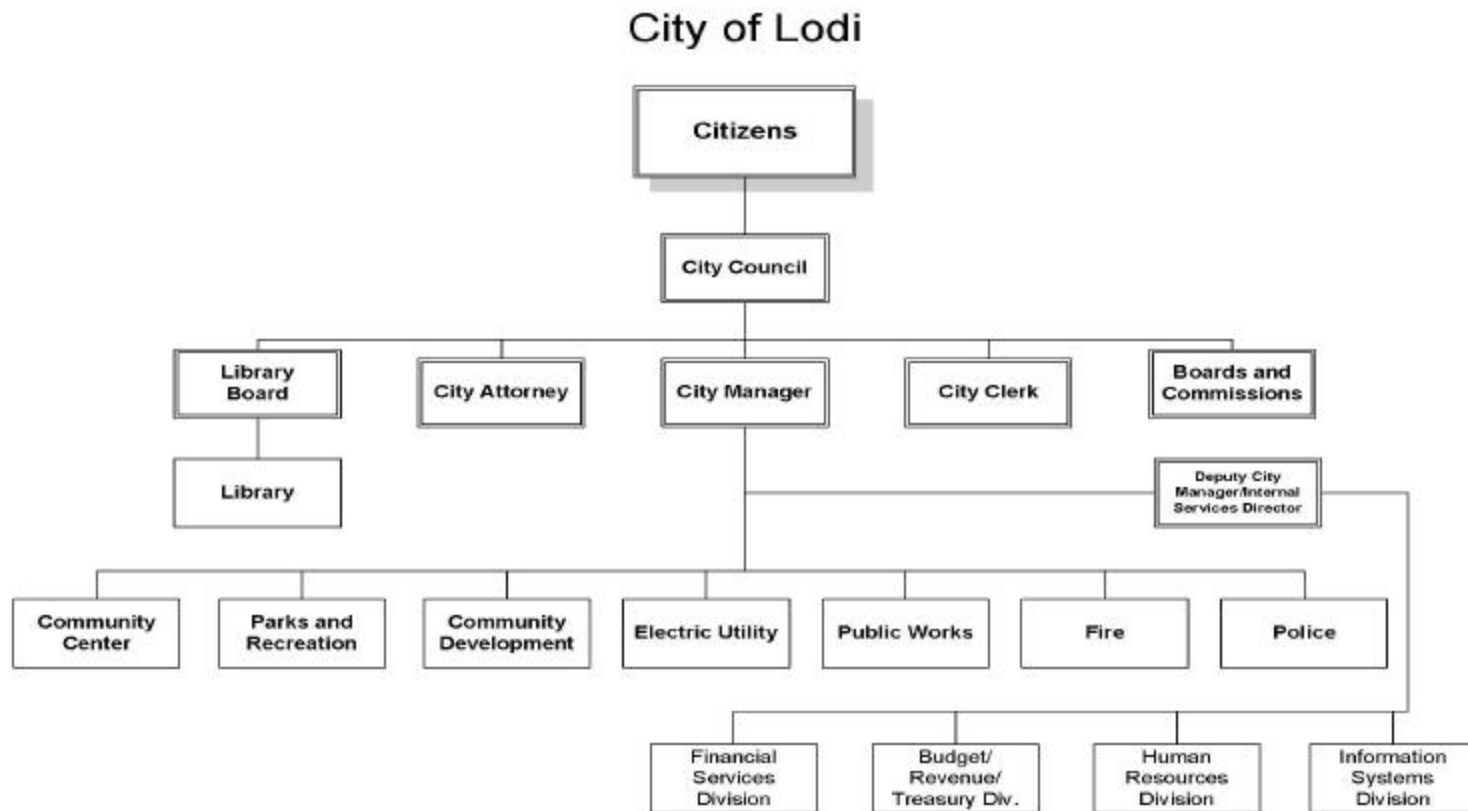
Budget
FY 2007-08

Budget Presentation **FY 2007-2008**

Presented: May 16, 2007

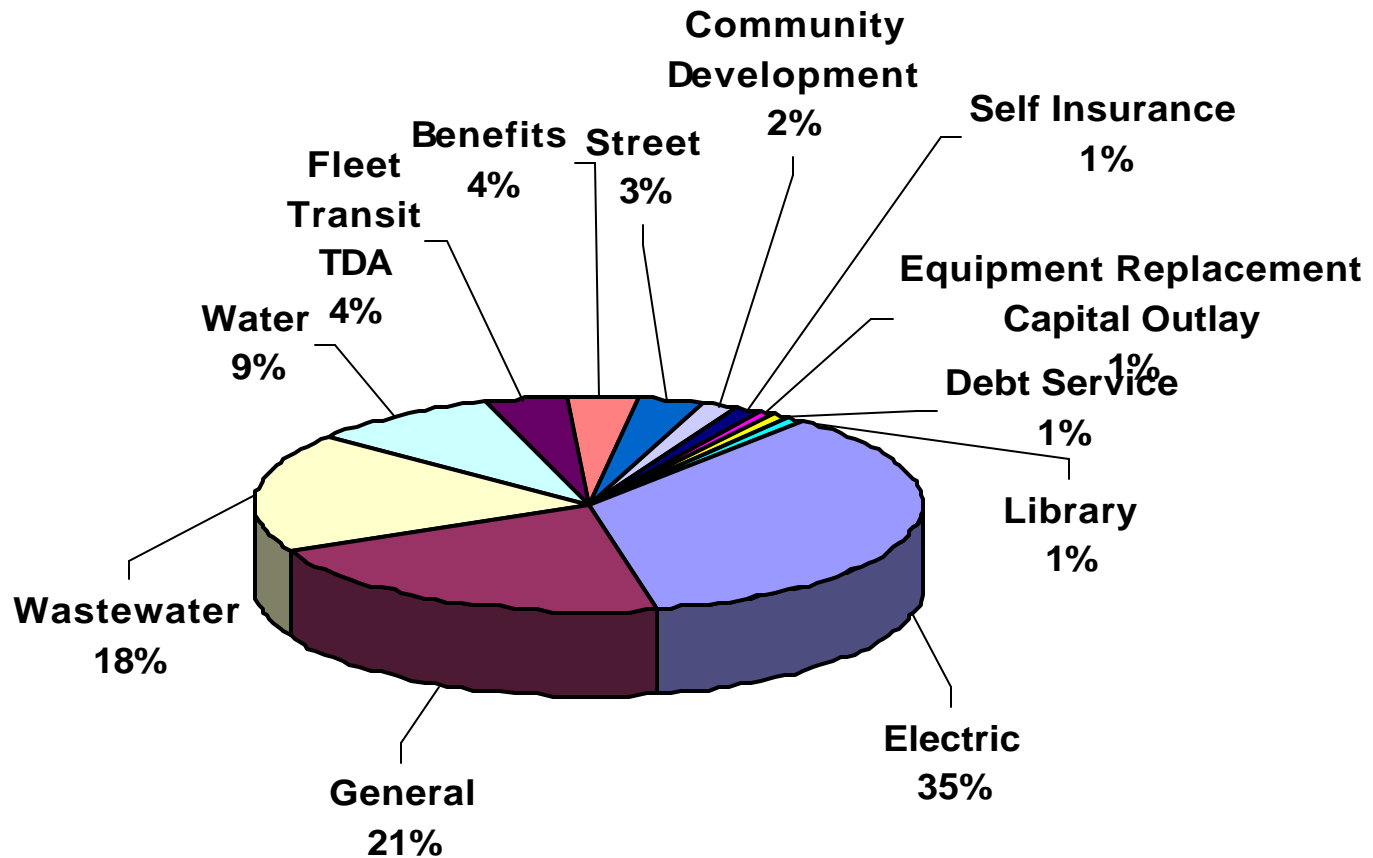


City Organization Chart





All Funds Expenditures



\$213,347,142

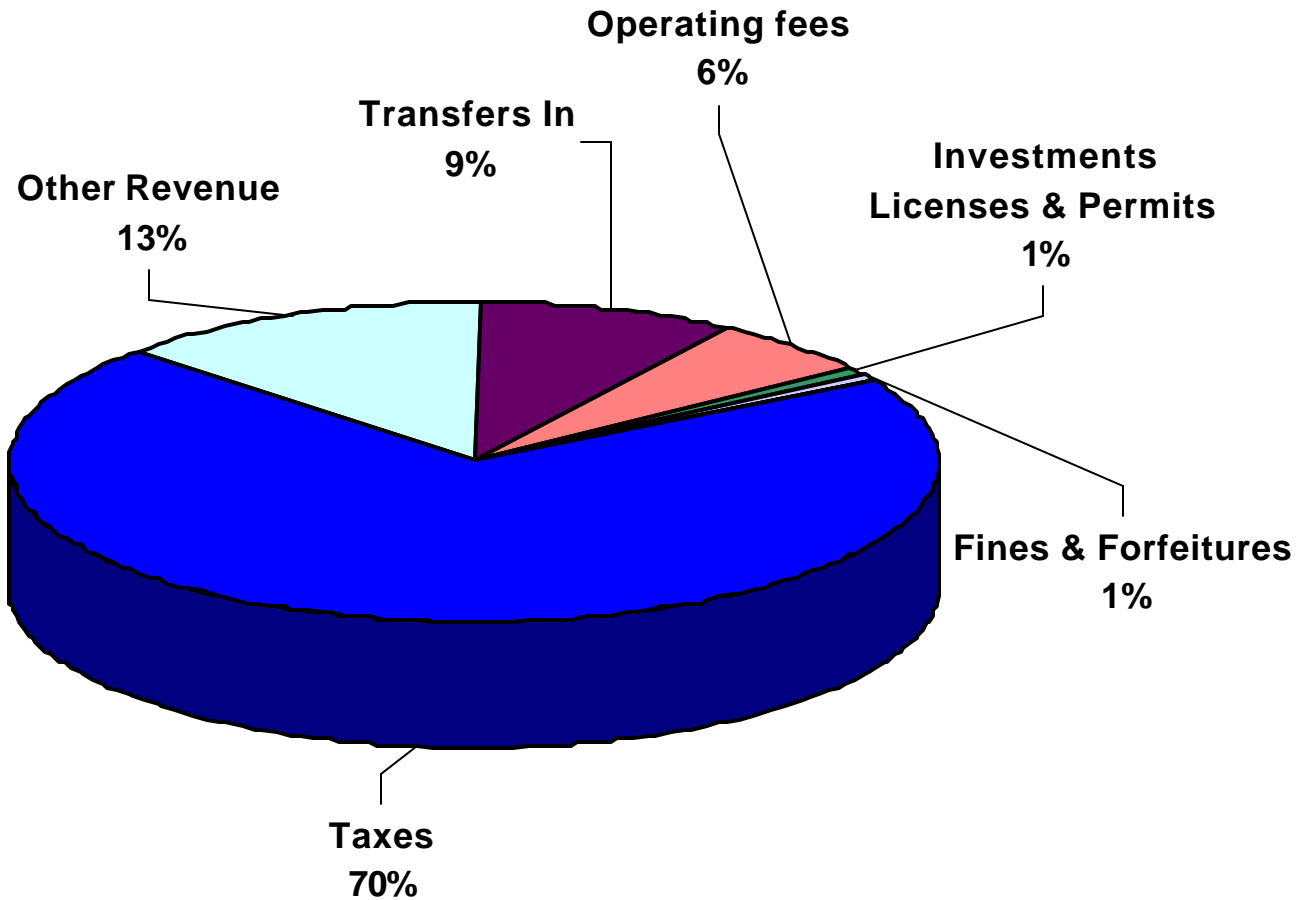


All Funds Expenditures

Fund	Amount
Electric	75,454,770
General	44,873,225
Wastewater	38,424,331
Water	19,979,528
Fleet/Transit/TDA	8,203,679
Benefits	7,636,917
Street	6,239,110
Community Development	3,649,164
Self Insurance	2,949,147
Equipment Replacement Capital Outlay	2,201,110
Debt Service	1,783,747
Library	1,749,763
Trust/pd/fire	202,651
	\$ 213,347,142



General Fund Revenues



\$44,873,225

2007-08 REVENUE SUMMARY	2004-05 Actuals	2005-06 Actuals	2006-07 Budget	2006-07 Est Actuals	2007-08 Budget
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00100 General Fund

<i>090 Operating Transfers In Total</i>	6,092,099	6,988,200	5,279,931	4,391,365	4,046,837
<i>100 Tax Revenues Total</i>	25,510,106	28,216,028	30,372,803	31,358,231	31,635,407
<i>200 Licenses & Permits Total</i>	1,528,694	71,126	80,717	74,390	76,200
<i>300 Fines & Forfeitures Total</i>	424,660	361,159	550,176	383,963	365,000
<i>400 Investment/Property Revenues Total</i>	104,192	91,836	138,355	128,020	323,080
<i>500 Revenue from Others Total</i>	4,136,588	5,410,018	4,411,440	5,340,630	5,641,095
<i>610 Public Safety Fees Total</i>	179,545	196,876	264,895	274,259	241,385
<i>740 Park & Recreation Fees Total</i>	852,963	958,755	935,959	788,284	818,460
<i>760 Community Center Fees Total</i>	517,803	587,241	521,000	506,943	565,425
<i>780 Community Development Fees Total</i>	588,692	-	-	-	-
<i>800 Public Works Fees Total</i>	522,086	147,885	264,000	113,000	155,200
<i>820 Administrative Fees Total</i>	713,084	746,266	786,000	794,650	787,275
<i>900 Other Revenue Total</i>	365,330	498,860	418,258	191,556	217,861
GENERAL FUND GRAND TOTAL	41,535,842	44,274,250	44,023,534	44,345,291	44,873,225

00102 FAÇADE PROGRAM FUND GRAND TOTAL	-	1,293	-	-	-
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00103 REPAIR & DEMOLITION FUND GRAND TOTAL	5,901	-	-	-	-
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00120 Vehicle Replacement Fund Subtotal	61,572	164,579	838,317	666,480	630,230
00122 Equipment Replacement Fund Subtotal	-	-	-	-	65,447
00123 Info Systems Replacement Fund Subtotal	45,000	37,500	-	123,750	94,553
VEHICLE/EQUIP REPLACEMENT FUND GRAND TOTAL	106,572	202,079	838,317	790,230	790,230

00130 Redevelopment Agency					300,000
REDEVELOPMENT AGENCY FUND GRAND TOTAL	-	-	-	-	300,000

00160 Electric Utility Fund

<i>090 Operating Transfers In Total</i>	4,698,183	-	-	-	-
<i>400 Investment/Property Revenues Total</i>	1,080,969	822,826	60,000	528,993	249,900
<i>620 Electric Operating Revenue Total</i>	52,870,963	58,035,346	64,064,579	64,331,308	68,166,572
<i>680 Non-Operating Utility Revenue Total</i>	701,165	686,724	495,120	24,030	938,292
<i>900 Other Revenue Total</i>	233,465	96,739	26,800	15,000	40,000
00160 Electric Utility Fund Subtotal	59,584,745	59,641,635	64,646,499	64,899,331	69,394,764
00161 Utility Outlay Reserve Fund Subtotal	5,381,061	2,796,060	4,081,202	-	5,981,135
00162 Electric Rate Stabil Reserve Subtotal	137,506	7,677	-	35,000	-
00163 Electric Bond Coverage Fund Subtotal			12,000		

2007-08 REVENUE SUMMARY	2004-05 Actuals	2005-06 Actuals	2006-07 Budget	2006-07 Est Actuals	2007-08 Budget
00164 Public Benefits Fund Subtotal	1,054,827	1,101,140	1,823,596	1,735,751	1,906,358
ELECTRIC UTILITY FUND GRAND TOTAL	66,158,139	63,546,512	70,551,297	66,670,082	77,282,257
00170 Waste Water Utility Fund					
090 Operating Transfers In Total	5,000	5,000	-	-	-
400 Investment/Property Revenues Total	236,367	145,598	215,000	254,000	315,000
500 Revenue from Others Total	(2,509)	32,879	-	-	-
640 Sewer Operating Revenue Total	6,645,391	8,206,016	8,016,500	8,130,577	8,838,600
680 Non-Operating Utility Revenue Total	1,538,624	740,027	1,591,000	14,450	15,200
900 Other Revenue Total	304,326	212,912	255,400	160,236	179,800
00170 Waste Water Utility Fund Subtotal	8,727,199	9,342,432	10,077,900	8,559,263	9,348,600
00171 Waste Wtr Util-Capital Outlay Subtotal	3,144,464	3,085,440	-	2,277,614	-
00172 Waste Water Capital Reserve Subtotal	8,178,361	2,136,526	29,145,000	2,742,680	27,714,654
00173 IMF Wastewater Facilities Subtotal	84,326	261,406	30,000	967,000	2,002,770
WASTEWATER UTILITY FUND GRAND TOTAL	20,134,350	14,825,804	39,252,900	14,546,557	39,066,024
00180 Water Utility Fund					
090 Operating Transfers In Total	6,000	5,000	-	-	-
400 Investment/Property Revenues Total	112,550	137,914	110,200	126,100	111,500
660 Water Operating Revenue Total	7,713,343	7,911,636	7,967,100	8,310,540	8,571,600
680 Non-Operating Utility Revenue Total	165,371	102,470	-	100,000	75,000
900 Other Revenue Total	26,206	10,819	-	2,509	-
00180 Water Utility Fund Subtotal	8,023,470	8,167,839	8,077,300	8,539,149	8,758,100
00181 Water Utility-Capital Outlay Subtotal	2,421,709	2,519,398	289,700	1,766,299	289,700
00182 IMF Water Facilities Subtotal	520,606	119,482	234,000	76,200	224,000
00183 Water PCE-TCE Subtotal	5,823,639	(239,521)	-	-	-
00184 Water PCE-TCE-Settlements Subtotal	9,149,692	-	-	-	-
00185 PCE/TCE Rate Abatement Fund Subtotal	-	431,354	1,740,000	1,370,000	2,739,400
00190 Central Plume (Restricted Fund) Subtotal	-	9,008,480	-	330,000	490,440
00191 Southern Plume Subtotal	-	-	-	-	1,357,500
00192 Busy Bee Plume Subtotal	-	82,561	-	1,900	-
00193 Northern Plume Subtotal	-	-	-	-	5,045,000
00194 South Central Western Plume Subtotal	-	145,678	-	670	300,000
WATER UTILITY FUND GRAND TOTAL	25,939,116	20,235,271	10,341,000	12,084,218	19,204,140
00210 Library Fund					
090 Operating Transfers In Total	-	1,329,665	1,489,225	1,489,225	1,578,580
100 Tax Revenues Total	1,354,386	-	-	-	-

	2004-05	2005-06	2006-07	2006-07	2007-08
2007-08 REVENUE SUMMARY	Actuals	Actuals	Budget	Est Actuals	Budget

400 Investment/Property Revenues Total	17,045	11,426	17,045	8,100	22,410
500 Revenue from Others Total	109,030	88,683	63,000	95,530	85,000
900 Other Revenue Total	54,371	57,590	53,400	20,673	53,000
00210 Library Fund Subtotal	1,534,732	1,487,364	1,622,670	1,613,528	1,738,990
00211 Library Capital Account Subtotal	44	(65)	-	-	-
LIBRARY FUND GRAND TOTAL	1,534,776	1,487,299	1,622,670	1,613,528	1,738,990

Public Safety Special Revenue Fund

00230 Asset Seizure Fund Subtotal	11,459	3,852	-	2,800	-
00231 Auto Theft Prosecution Fund Subtotal	28,471	25,934	-	11,122	-
00232 Asset Seizure-Federal Subtotal	1,120	(265)	-	160	-
00234 Local Law Enforce Block Grant Subtotal	39,754	47,939	-	5,600	-
00235 LPD-Public Safety Prog AB 1913 Subtotal	102,861	103,297	-	129,086	-
00236 LPD-OTS Grants Subtotal	(15,905)	43,846	-	11,100	-
00237 LPD-Disabled Parking Viol Fund Subtotal	3,700	5,245	-	1,930	-
00240 LFD-OTS Grants Subtotal	2,624	-	-	-	-
00250 LFD-Federal Grants Subtotal	69,642	49,660	8,680	1,700	817
PUBLIC SAFETY SPECIAL REV FUND GRAND TOTAL	243,726	279,508	8,680	163,498	817

00260 Internal Service/Equip Maint

INTERNAL SERVICE/EQUIP MAINT GRAND TOTAL	-	-	1,779,929	1,784,116	1,738,830
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00270 Employee Benefits

EMPLOYEE BENEFITS FUND GRAND TOTAL	5,317,896	5,187,910	6,588,522	5,690,124	7,636,917
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Self Insurance Fund

00300 General Liabilities Subtotal	1,401,801	896,459	841,400	841,400	1,318,980
00301 Other Insurance Subtotal	116,097	58,153	140,000	139,169	-
00310 Worker's Comp Insurance Subtotal	1,634,575	1,445,582	1,605,500	1,605,500	1,958,280
SELF INSURANCE FUND GRAND TOTAL	3,152,473	2,400,194	2,586,900	2,586,069	3,277,260

00320 Street Fund

00320 Street Fund Subtotal	152,308	451,932	-	18,600	237,600
00321 Gas Tax Subtotal	1,162,579	1,058,604	2,713,188	1,701,607	1,220,414
00322 Gas Tax - 2106 Subtotal	-	-	-	-	-
00323 Gas Tax - 2105 Subtotal	-	-	-	-	-
00325 Measure K FUND Subtotal	6,608,740	6,067,953	6,603,800	803,584	1,480,000
00326 IMFS Storm Facilities Subtotal	1,720,947	429,764	855,000	288,871	821,000

2007-08 REVENUE SUMMARY	2004-05 Actuals	2005-06 Actuals	2006-07 Budget	2006-07 Est Actuals	2007-08 Budget
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00327 IMF(Local) Streets Facilities Subtotal	850,940	242,280	386,000	235,992	344,000
00328 Master Drainage Subtotal	-	-	-	-	-
00329 TDA - Streets Subtotal	150,000	160,765	-	-	150,000
00331 Federal - Streets Subtotal	332,491	47,136	-	-	-
00332 IMF(Regional) Streets Subtotal	607,052	210,177	279,000	204,067	294,000
00333 State Bike Lane Fund Subtotal	17	19	-	-	-
00334 OTS-Off of Traffic Safety Grnt Subtotal	11,080	-	-	-	-
00335 State-Streets Subtotal	58,733	337,749	-	-	-
00336 Fence & Landscape Maint Subtotal	(66,315)	7,299	-	6,370	-
00337 Traffic Congestion Relf-AB2928 Subtotal	773	731,038	-	12,000	-
00338 IMF-Regional Transportation Subtotal	-	17,509	-	243,378	300,000
STREETS FUND GRAND TOTAL	11,589,345	9,762,225	10,836,988	3,614,469	4,847,014

00340 Comm Dev Special Rev Fund					
090 Operating Transfers In Total	-	253,000	600,000	696,956	637,255
200 Licenses & Permits Total	-	948,720	939,470	734,200	1,068,375
400 Investment/Property Revenues Total	-	5,105	9,452	9,452	14,591
500 Revenue from Others Total	-	3,068	-	-	-
610 Public Safety Fees Total	-	65,200	-	90,000	3,053
780 Community Development Fees Total	-	610,740	625,721	415,770	558,120
900 Other Revenue Total	-	39,358	1,008	122,300	12,723
COMMUNITY DEV SPECIAL REV FUND GRAND TOTAL	-	1,925,191	2,175,651	2,068,678	2,294,117

Debt Service FUND					
00410 Bond Interest & Redemption Subtotal	1,674,421	1,679,231	1,675,547	1,256,660	1,687,642
00411 Notes Payable-Debt Service Subtotal	96,106	96,106	96,106	74,939	96,105
00430 1996 Cop Redemption Fund Total	5,567	5,260	-	-	-
DEBT SERVICE FUND GRAND TOTAL	1,776,094	1,780,597	1,771,653	1,331,599	1,783,747

00444 STATE PARK GRANT FUND GRAND TOTAL	18,972	4,723	-	-	-
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Community Development Block Grant FUND					
00450 Home Funds Subtotal	-	390,803	-	-	-
00453 Hud-1997/98 Subtotal	-	-	-	-	-
00454 Hud-1998/99 Subtotal	670	-	-	-	-
00455 Hud-1999/00 Subtotal	-	-	-	-	-
00456 Hud-2000/01 Subtotal	3,029	-	-	-	-
00457 Hud-2001/02 Subtotal	8,000	237	-	300	-

2007-08 REVENUE SUMMARY	2004-05 Actuals	2005-06 Actuals	2006-07 Budget	2006-07 Est Actuals	2007-08 Budget
00458 Hud-2002/03 Subtotal	46,344	14,858	-	-	-
00459 H U D Subtotal	793,587	842,840	-	3,347,346	1,055,049
COMMUNITY DEV BLOCK FUND GRAND TOTAL	852,630	1,248,738	-	3,347,646	1,055,049
Trust and Agency FUND					
00212 Private Sector Trust Subtotal	55,775	77,895	-	2,250	25,000
00460 Indust Way & B'Man Dev Fund Total	369	387	-	300	19,420
00470 Indust Way & B'Man Rd #2 Fund Subtotal	639	668	-	600	1,880
00501 Lcr Assessment 95-1 Subtotal	213,580	207,915	-	-	-
00502 L&L Dist Z1-Almond Estates Subtotal	14,911	15,583	-	32,810	32,810
00503 L&L Dist Z2-Century Meadows I Subtotal	30,974	22,186	-	44,536	44,536
00504 L&L Dist Z3-Millsbridge II Subtotal	4,041	3,248	-	8,705	8,705
00505 L&L Dist Z4-Almond North Subtotal	3,326	2,924	-	9,643	9,643
00506 L&L Dist Z5-Legacy I,II,Kirst Subtotal	13,273	20,326	-	56,547	56,547
00507 L&L Dist Z6-The Villas Subtotal	4,205	56,133	-	42,000	42,000
00508 L&L Dist Z7-Woodlake Meadow Subtotal	12,790	547	-	946	946
00509 L&L Dist Z8-Vintage Oaks Subtotal	-	-	-	5,030	5,030
00510 SJ MultiSpecies Habitat Conser Subtotal	33,018	15,012	-	-	-
00511 L&L Dist Z9-Interlake Square Subtotal	-	-	-	850	850
00512 L&L Dist Z10-Lakeshore Prop. Subtotal	-	-	-	320	320
00513 L&L Dist Z11-Tate Property Subtotal	-	-	-	886	886
00514 L&L Dist Z12-Winchester Woods Subtotal	-	-	-	378	378
00515 L&L Dist Z13 Subtotal	-	-	-	-	-
00550 SJC Facilities Fees-Future Dev Subtotal	-	58,430	-	-	-
01202 Hutchins St Sq/Holz Bequest Subtotal	900	30	-	-	-
TRUST AND AGENCY FUND GRAND TOTAL	387,801	481,284	-	205,801	248,951
Capital Outlay FUND					
00760 Hutchins Street Sq - Capital Subtotal	-	-	-	-	80
01211 Capital Outlay/General Fund Total	355,535	97,566	-	34,048	790,070
01212 Parks & Rec Capital Total	41,253	5,373	-	14,582	-
01214 Arts in Public Places Total	136,030	36,426	-	34,692	35,000
01215 IMF Police Facilities Total	367,362	55,798	92,000	64,031	88,000
01216 IMF Fire Facilities Total	289,861	35,515	90,000	33,912	86,000
01217 IMF Parks & Rec Facilities Total	2,220,988	345,189	1,292,000	180,601	1,370,628
01218 IMF General Facilities-Adm Total	878,243	159,105	371,000	128,506	399,542
CAPITAL OUTLAY FUND GRAND TOTAL	4,289,272	734,972	1,845,000	490,372	2,769,320

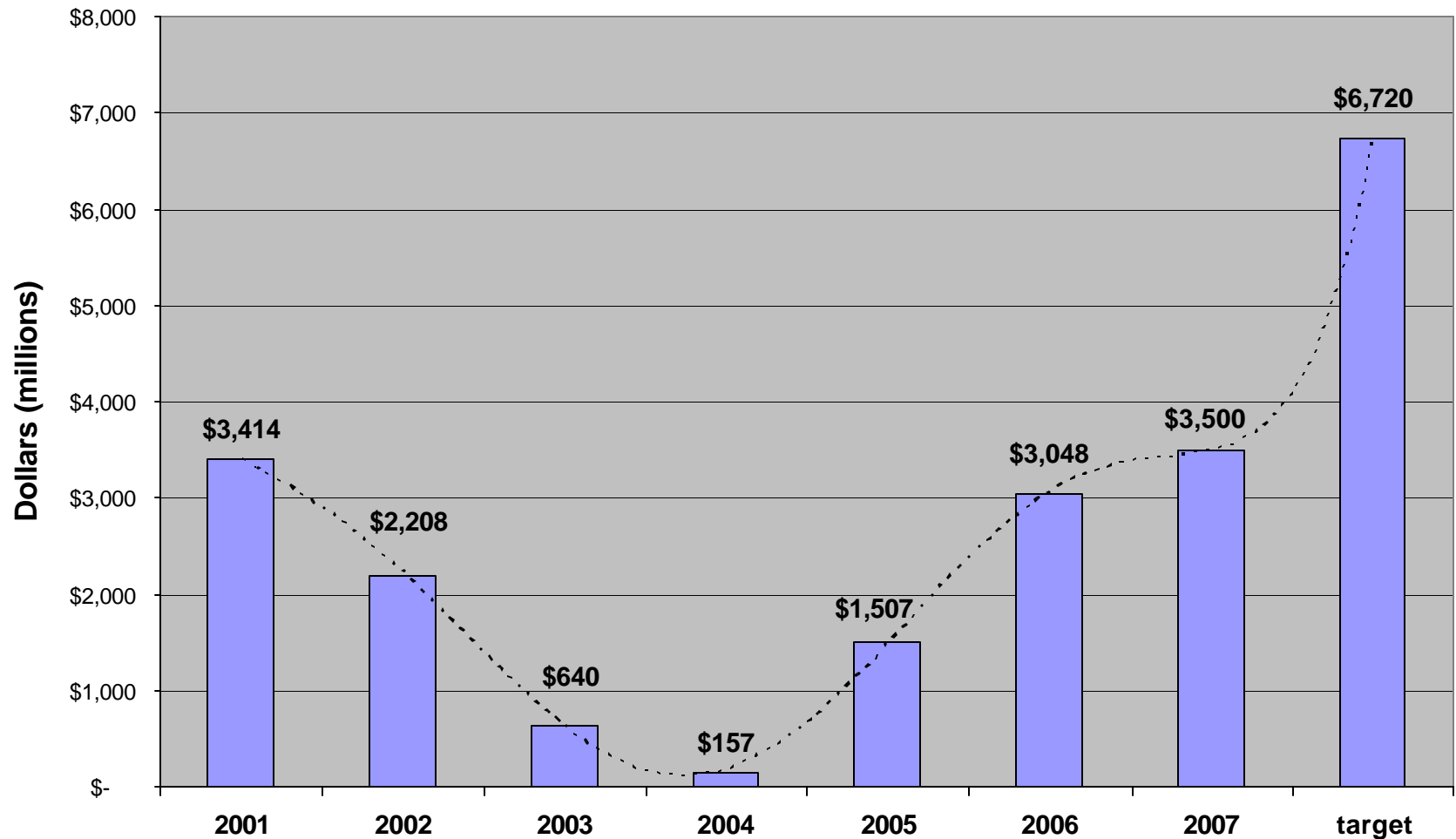
2007-08 REVENUE SUMMARY	2004-05 Actuals	2005-06 Actuals	2006-07 Budget	2006-07 Est Actuals	2007-08 Budget
Transporation Development Act FUND					
01240 TDA-Transport Dev Act Fund Total	110,408	-	-	-	-
01241 LTF-Pedestrian/Bike Total	63,970	49,434	51,000	51,590	55,685
TRANSPORATION DEV ACT FUND GRAND TOTAL	174,378	49,434	51,000	51,590	55,685
Transit FUND					
400 Investment/Property Revenues Total	(21,468)	10,580	4,200	4,200	17,010
500 Revenue from Others Total	2,779,578	3,844,116	4,647,605	3,241,610	6,410,000
720 Transit Fees Total	344,836	386,252	440,200	459,000	348,000
800 Public Works Fees Total	-	70	-	500	-
900 Other Revenue Total	251,125	70,445	70,000	87,367	67,852
TRANSIT FUND GRAND TOTAL	3,354,071	4,311,393	5,162,005	3,792,177	6,842,862
ALL FUNDS GRAND TOTAL	186,571,354	172,738,677	199,436,046	165,176,045	215,805,435



the city of lodi

Budget
FY 2007-08

General Fund Balance (Unreserved)





the city of lodi

Budget
FY 2007-08

Police Department

FY 2007-08 Budget:		\$14,353,000
FY 2006-07 Budget:		\$14,240,000
Increase:	\$113,000	1%
General Fund Ratio:		32%
Personnel:		117
Mandated Vacancies:		0



Police Department 2006-07 Accomplishments

- Promoted eight and hired 11 new police officers
- Secured \$145,620 in State and Federal funding for equipment and technology
- Reduced Part 1 crime rate
- Established a recruitment team to promote Department at police academies
- Animal Shelter implemented vaccination program for puppies and kittens



the city of lodi

Budget

FY 2007-08

Police Department 2007-08 Emphasis

- Enhance intervention efforts involving gang violence and drug related issues
- Expand and refine the role of the Police Cadet Program
- Return staffing levels to 2004-05 level of 117
- Continue to liaison with LUSD to identify issues and concerns that affect students



Fire Department

FY 2007-08 Budget:		\$9,000,000
FY 2006-07 Budget:		\$8,729,000
Increase:	\$271,000	3%
General Fund Ratio:		20%
Personnel:		64
Mandated Vacancies:		0



Fire Department

2006-07 Accomplishments

- Completed Self Contained Breathing Apparatus replacement with FIRE ACT grant
- Coordinated the training of personnel in compliance with federal NIMS requirements
- Hired and trained four new firefighters
- Implemented business inspection program



the city of lodi

Budget

FY 2007-08

Fire Department 2007-08 Emphasis

- Update City Emergency Plan and develop Evacuation Plan
- Plan for station development in the Southeast area
- Respond to emergency incidents in six minutes or less at 90% success rate
- Fill two firefighter positions



Parks & Recreation Department

FY 2007-08 Budget:		\$3,792,000
FY 2006-07 Budget:		\$3,874,000
Decrease*:	(\$82,000)	-2%
General Fund Ratio:		8%
Personnel:		33
Mandated Vacancies:		3

*Reflects transfer of some after school programs to school district



Parks & Recreation Department

2006-07 Accomplishments

- Updated and increased program and facility rental fees to assist in meeting cost recovery goals
- Developed Century Meadows Park
- Provided programs for well over 10,000 youth, teens, and adults
- Completed Coast Guard certification for tour boats and operators
- Completed renovation of 2 Salas Park diamonds and the construction of Blakely Park Playground project



Parks & Recreation Department 2007-08 Emphasis

- Provide safe, clean and attractive facilities
- Increase number of special interest classes and special events
- Maintain cost recovery goals
- Maintain park infrastructure and facilities
- Network with Docent programs and special community based organizations
- Continue to bring playground equipment and facilities up to ADA standards



Reasons to Maintain Frozen Positions/Mandatory Vacancies in the FY 07-08 Budget

- Frozen/Mandatory vacancies provide an institutional memory of pre-attrition staffing levels.
- Frozen/Mandatory vacancies provide “balance” in the restoration of positions that were lost in the hap-hazard manner of attrition.
- Accounting for Frozen/Mandatory vacancy positions in the budget helps management assess costs needed to restore “full” staffing, and can account for personnel costs saved via mandated vacancies.
- Frozen/Mandatory vacancy positions provide the benefit of the doubt that they are needed to maintain service levels. This makes filling the position easier than creating a new position.



Reasons not to Maintain Frozen Positions/Mandatory Vacancies in the FY 07-08 Budget

- Maintaining Frozen/Mandatory vacancies assumes that pre-attrition staffing levels were appropriate, when they may not have been.
- It is easier not to account for Frozen/Mandatory vacancies on an ongoing basis. It is simpler to understand and to administer.
- Elimination of all Frozen/Mandatory vacancies positions allows management to declare full staffing and allows for all new positions to be evaluated on specific merits. More attention can be given to capital and physical improvements than restoring staffing levels.



the city of lodi

Budget

FY 2007-08

Electric Utility

FY 2007-08 Budget:		\$75,455,000
FY 2006-07 Budget:		\$70,649,000
Increase:	\$4,806,000	7%
Personnel:		66
Mandated Vacancies:		0
Estimated Revenues		\$76,982,000



Electric Utility Enterprise Fund

Statement of Estimated Changes in Fund Balance For the Fiscal Year Ended June 30, 2008

With Audited Actuals for Fiscal Year 2004-05 and 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2004-05 Actuals	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	2007-08 Budget
Electric Utility Enterprise Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance (Net Assets) Unreserved	6,347,087	7,469,037	1,704,200	3,631,402	5,571,823
Beginning Fund Balance (Reserved/Designated)		11,873,387		10,529,239	
Revenues	66,996,173	59,891,671	70,563,297	66,670,082	76,982,257
Expenditures	<u>65,874,223</u>	<u>63,729,306</u>	<u>70,649,136</u>	<u>64,729,661</u>	<u>75,454,770</u>
Net Difference (Revenues Less Expenditures)	1,121,950	(3,837,635)	(85,839)	1,940,421	1,527,487
Fund Balance (Net Assets)					
Ending Fund Balance (Net Assets) Unreserved	<u>7,469,037</u>	<u>3,631,402</u>	<u>1,618,361</u>	<u>5,571,823</u>	<u>7,099,310</u>

Note: FY 2007-08 restricted investment revenues of \$300,000 plus unrestricted revenues of \$76,982,257 equals total E.U. Fund revenues of \$77,282,257.



Electric Utility

2006-07 Accomplishments

- Acquired 25 MW of fixed price electricity for FY08-FY10
- Established formal cash reserve policy with goal of \$12.9M
- Adopted “full cost” recovery policy for new electric service extensions
- Implemented Substation and Transmission Impact Fee for future annexed developments
- Completed transition of commercial/industrial customers on “contract” rates to applicable published rate schedules



Electric Utility 2007-08 Emphasis

- Continue efforts to improve EUD financial condition and improve assessment by rating agencies
- Provide timely and reliable facilities/service to new customers and developments, including annexed areas
- Complete rehabilitation of Killelea substation
- Explore routing options for new 60KV transmission facilities to the west of Lodi
- Continue efforts to develop New Lodi Project for operation as early as 2011



Public Works Department (General Fund)

FY 2007-08 Budget:		\$2,675,000
FY 2006-07 Budget:		\$3,216,000
Decrease*:	(\$541,000)	-17%
General Fund Ratio:		6%
Personnel:		24
Mandated Vacancies:		3

*Decrease due to Engineering support allocated to various enterprise funds



Public Works Department 2006-07 Accomplishments

- Installed new storm drain controllers at 4 locations
- Completed 1st Rubberized Cape Seal project
- Added median landscape of Westgate and Lower Sacramento Road
- Established Community Facilities District
- Completed annexation and entitlement processing for 3 major development projects



Public Works Department

2007-08 Emphasis

- Implement PCE/TCE clean-up efforts
- Construct new shop for maintaining fleet
- Form new Community Facilities Districts
- Implement water meter program
- Coordinate work on Railroad Corridor TOD grant
- Prepare new Storm Water Management Plan
- Begin Project 4 of Water/Wastewater main replacement program



Public Works Water Services

FY 2007-08 Budget:		\$16,741,000
FY 2006-07 Budget:		\$7,366,000
Increase*:	\$9,375,000	127%
Personnel:		41
Mandated Vacancies:		0

*Increase due to capital projects.

\$16,741,000 figure does not include Central Plume work in the amount of \$3,239,000.



Water Fund

Statement of Estimated Changes in Fund Balance For the Fiscal Year Ended June 30, 2008

With Audited Actuals for Fiscal Year 2004-05 and 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2004-05 Actuals	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	2007-08 Budget
Water Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance (Net Assets) Unreserved	1,442,231	4,300,091	829,000	946,119	534,780
Beginning Fund Balance (Reserved/Designated)		300,711	8,700,000	8,543,685	8,479,550
Revenues	18,078,362	8,918,116	10,341,000	12,084,218	18,963,700
Expenditures	<u>15,220,502</u>	<u>12,272,088</u>	<u>11,775,614</u>	<u>12,495,557</u>	<u>16,740,528</u>
Net Difference (Revenues Less Expenditures)	2,857,860	(3,353,972)	(1,434,614)	(411,339)	2,223,172
Fund Balance (Net Assets)					
Ending Fund Balance (Net Assets) Unreserved	4,300,091	946,119	(605,614)	534,780	2,757,952

FY 07-08 Unrestricted expenditures of \$16,740,528 plus Central Plume expenditures of \$3,239,000 equals total Water Fund expenditures of \$19,979,528

FY 07-08 Restricted revenues of \$18,963,700 plus Central Plume estimated investment earnings of \$240,440 equals total Water Fund revenues of \$19,204,140.



the city of lodi

Budget
FY 2007-08

Public Works Wastewater

FY 2007-08 Budget:		\$38,424,000
FY 2006-07 Budget:		\$44,774,000
Decrease:	(\$6,350,000)	-14%



Wastewater Fund

Statement of Estimated Changes in Fund Balance For the Fiscal Year Ended June 30, 2008

With Audited Actuals for Fiscal Year 2004-05 and 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2004-05 Actuals	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	2007-08 Budget
Wastewater Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance (Net Assets) Unreserved	4,568,925	2,273,869	1,268,007	1,866,805	1,757,400
Beginning Fund Balance (Reserved/Designated)		16,247,795	1,688,947	14,627,909	
Revenues	19,596,597	11,509,815	39,252,900	14,546,557	39,066,024
Expenditures	<u>21,891,653</u>	<u>11,916,879</u>	<u>44,774,217</u>	<u>14,655,962</u>	<u>38,424,331</u>
Net Difference (Revenues Less Expenditures)	(2,295,056)	(407,064)	(5,521,317)	(109,405)	641,693
Fund Balance (Net Assets)					
Ending Fund Balance (Net Assets) Unreserved	2,273,869	1,866,805	765,726	1,757,400	2,399,093



the city of lodi

Budget
FY 2007-08

Public Works Streets & Drainage

FY 2007-08 Budget:		\$6,239,000
FY 2006-07 Budget:		\$10,349,000
Decrease:	(\$4,110,000)	-40%
Personnel:		31
Mandated Vacancies:		2



Street Fund

Statement of Estimated Changes in Fund Balance For the Fiscal Year Ended June 30, 2008

With Audited Actuals for Fiscal Year 2004-05 and 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2004-05 Actuals	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	2007-08 Budget
Streets Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance (Net Assets) Unreserved	161,126	1,009,182	1,327,983	5,737,407	3,819,850
Beginning Fund Balance (Reserved/Designated)					
Revenues	11,589,348	9,543,264	10,836,988	3,614,088	4,847,014
Expenditures	<u>10,741,292</u>	<u>4,815,039</u>	<u>10,348,654</u>	<u>5,531,645</u>	<u>6,239,110</u>
Net Difference (Revenues Less Expenditures)	848,056	4,728,225	488,334	(1,917,557)	(1,392,096)
Fund Balance (Net Assets)					
Ending Fund Balance (Net Assets) Unreserved	1,009,182	5,737,407	1,816,317	3,819,850	2,427,754



Public Works Transit

FY 2007-08 Budget:		\$6,247,000
FY 2006-07 Budget:		\$6,799,000
Decrease*:	(\$552,000)	-8%
Personnel:		2
Mandated Vacancies:		0

*Reflects decrease in bus purchases and capital projects



Transit Fund

Statement of Estimated Changes in Fund Balance For the Fiscal Year Ended June 30, 2008

With Audited Actuals for Fiscal Year 2004-05 and 2005-06 and Comparative Budget Fiscal Year 2006-07

	Audited 2004-05 Actuals	Audited 2005-06 Actuals	2006-07 Budget	Estimated 2006-07 Actuals	2007-08 Budget
Transit Fund					
Fund Balance (Net Assets)					
Beginning Fund Balance (Net Assets) Unreserved			824,323	851,427	-
Beginning Fund Balance (Reserved/Designated)					
Revenues	4,895,789	5,809,314	5,162,005	3,792,677	6,842,862
Expenditures	<u>4,895,789</u>	<u>4,957,887</u>	<u>6,798,845</u>	<u>4,644,104</u>	<u>6,247,430</u>
Net Difference (Revenues Less Expenditures)	-	851,427	(1,636,840)	(851,427)	595,432
Fund Balance (Net Assets)					
Ending Fund Balance (Net Assets) Unreserved	-	851,427	(812,517)	-	595,432



Public Works Fleet & Facilities Services

FY 2007-08 Budget:		\$2,640,000
FY 2006-07 Budget:		\$2,538,000
Increase:	\$102,000	4%
Personnel:		17
Mandated Vacancies:		2



Library

FY 2007-08 Budget:		\$1,750,000
FY 2006-07 Budget:		\$1,714,000
Increase:	\$36,000	2%
Personnel:		16
Mandated Vacancies:		2



the city of lodi

Budget
FY 2007-08

Library

2006-07 Accomplishments

- Implemented an on-line materials acquisitions program
- Progressed on Library renovation project
- Implemented a Financial Literacy program
- Developed Homework Help Center in conjunction with local schools



the city of lodi

Budget
FY 2007-08

Library

2007-08 Emphasis

- Commence Library Renovation project
- Continue Centennial Celebrations
- Expand the on-line materials acquisition program
- Develop and implement a marketing plan for library services



Community Center

FY 2007-08 Budget:		\$1,463,000
FY 2006-07 Budget:		\$1,486,000
Decrease:	(\$23,000)	-2%
General Fund Ratio:		3%
Personnel:		10
Mandated Vacancies:		1



Community Center

2006-07 Accomplishments

- Increased rental revenues
- Produced numerous successful events
- Collaborated with Parks & Recreation to develop more efficient process for hiring lifeguards
- Collaborated with LUSD to expand adult computer classes



the city of lodi

Budget
FY 2007-08

Community Center

2007-08 Emphasis

- Continue to increase revenues
- Re-organize staffing to promote operating efficiencies
- Increase number of events
- Host a series of caregiver workshops



Community Development

FY 2007-08 Budget:		\$2,294,000
FY 2006-07 Budget:		\$2,175,000
Increase:	\$119,000	5%
Personnel:		18
Mandated Vacancies:		0



Community Development

2006-07 Accomplishments

- Began update of the General Plan
- Completed review of three major annexation and development proposals
 - Westside Gateway
 - Southwest Gateway
 - Reynolds Ranch / Blue Shield
- Established new Administrative Enforcement Procedures as an additional tool for effectively addressing code enforcement issues
- Established Revolving Loan Fund using CDBG funds
- Filled Building Official vacancy



Community Development

2007-08 Emphasis

- Continue General Plan Update
- Work with Delta College to establish a satellite campus in Lodi
- Adopt new Development Code
- Facilitate development of proposed affordable housing project
- Fill Plan Check Engineer position
- Complete Lodi Shopping Center EIR court ordered re-do
- Complete LAFCO required Lodi Municipal Service Review



the city of lodi

Budget

FY 2007-08

Community Development Block Grant Fund

FY 2007-08 Budget:	\$ 1,055,000
FY 2006-07 Budget:	\$ 1,249,000



the city of lodi

Budget
FY 2007-08

City Manager

FY 2007-08 Budget:		\$627,000
FY 2006-07 Budget:		\$590,000
Increase:	\$37,000	6%
General Fund Ratio:		1%
Personnel:		5
Mandated Vacancies:		1



Economic Development

FY 2007-08 Budget:		\$223,000
FY 2006-07 Budget:		\$246,000
Increase:	(\$23,000)	-9%
General Fund Ratio:		0%
Personnel:		0
Mandated Vacancies:		0



Economic Development Organizations

- Lodi Conference & Visitor's Bureau (\$101,000)
- Lodi Downtown Business Partnership (\$35,000)
- San Joaquin Partnership (\$35,000)
- Lodi District Chamber of Commerce (\$1,400)
- Grants for Arts (\$50,000)
- Fireworks (\$22,000)
- Downtown Visioning Project (\$30,000)



Economic Development 2006-07 Accomplishments

- Blue Shield proceeds with expansion in Lodi
- Opened downtown wine tasting rooms
- Smart and Final opens
- Delta College plans for Lodi site progress
- Wine tasting room downtown
- New restaurants downtown



Economic Development

2007-08 Emphasis

- Secure funding for downtown development
- Pursue a downtown hotel
- Continue to establish marketing ties with the wine grape industry
- Provide funding to local economic development organizations
- Support the arts
- Recruit additional retailers



Internal Services

Budget & Treasury, Financial Services, Human Resources, Information Systems

FY 2007-08 Budget:		\$4,225,000
FY 2006-07 Budget:		\$3,773,000
Increase:	\$452,000	12%
General Fund Ratio:		9%
Personnel:		46
Mandated Vacancies:		6



Internal Services

2006-07 Accomplishments

- Prepared and published budget document
- Received clean audit from independent auditors and received GFOA Awards for Excellence in Financial Reporting for the 13th year
- Completed 50 full-time and 20 part-time recruitments
- Conducted Safety audits and Risk audits of various departments
- Assisted with 3,000+ helpdesk calls
- Coordinated replacement of Council Chamber's audio-visual equipment



Internal Services

2007-08 Emphasis

- Update and develop various Policies and Procedures
- Provide training and support to employees
- Provide staff with assistance in the preparation and monitoring of department budgets
- Conduct performance audit
- Develop GIS and radio systems master plan



City Clerk

FY 2007-08 Budget:		\$495,000
FY 2006-07 Budget:		\$608,000
Decrease*:	(\$113,000)	-19%
General Fund Ratio:		1%
Personnel:		4
Mandated Vacancies:		0

*Reflects no operational costs for election (off year)



the city of lodi

Budget

FY 2007-08

City Clerk 2006-07 Accomplishments

- Adopt Citywide Records Management Program and Policy Manual
- Conducted General Municipal Election
- Incorporated and Administered General Liability Claims Program
- Deputy City Clerk changed to Fair Labor Standards Act (FLSA) exempt status monthly increase of \$200 and 40 hours of administrative leave



the city of lodi

Budget

FY 2007-08

City Clerk

2007-07 Emphasis

- Implement Citywide Records Management Program
- Design and create new web pages for Council, Agendas, and Elections
- Prepare for November 2008 General Municipal Election



City Attorney

FY 2007-08 Budget:		\$489,000
FY 2006-07 Budget:		\$466,000
Increase:	\$23,000	5%
General Fund Ratio:		1%
Personnel:		3
Mandated Vacancies:		0



City Attorney 2006-07 Accomplishments

- Settled Northern Plume PCE/TCE and Rose litigation
- Drafted significant contracts including Reynolds Ranch, Westside and Southwest Development Agreements, Flag City Wastewater contract
- Drafted Massage, Loitering, Aggressive Solicitation, and Pedicab Ordinances
- Increased in-house Land Use expertise through training and experience



the city of lodi

Budget
FY 2007-08

City Attorney

2007-08 Emphasis

- Continue legal work for PCE/TCE issues
- Perform increased role in Risk Management
- Resolve County EMS and AT&T litigation matters
- Draft Claims Ordinance



the city of lodi

Budget
FY 2007-08

Non-Departmental – General Fund

FY 2007-08 Budget:		\$6,705,368
FY 2006-07 Budget:		\$6,125,941
Increase:	\$579,427	9%
General Fund Ratio:		15%



Non-Departmental – Benefits & Self-Insurance Funds

FY 2007-08 Budget:	\$ 10,586,000
FY 2006-07 Budget:	\$ 8,968,000



Non-Departmental – Capital Outlay*, Vehicle Replacement, I.S. Equipment Fund

FY 2007-08 Budget:	\$ 2,202,000
FY 2006-07 Budget:	\$ 3,334,000

*Includes \$650,000 for move of Finance & Budget to old court bldg.



Debt Service

FY 2007-08 Budget:	\$ 1,688,000
FY 2006-07 Budget:	\$ 1,772,000

Redevelopment Agency

FY 2007-08 Budget:	\$ 300,000
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the city of lodi

Budget

FY 2007-08

Budget Committee Advisory Recommendations to City Manager

- Energy Cost Adjustment (ECA)
- Parks Recreation/Hutchins Square Organizational Review
- Code Enforcement Consolidation with Police Department
- Financial System
- Mobile Home Rates
- Cable Franchise Fees
- Fleet Replacement Policies
- Economic Development (per page 354 in Budget document)
- Community Redevelopment Agency
- Capital Improvements and Deferred Maintenance Study



Budget Alternatives

- Code Enforcement
 - \$339,350 transfer expenditures from Community Development to Police Department (no impact on General Fund budget)
- Library capital work
 - Phase I – HVAC system, appropriate \$650,000 – Library Fund balance is source of funding
 - Phase II – to be determined as funding materializes (includes donations and other financing)
- Parks & Recreation and Hutchins Square discussion
 - Additional review and analysis needed



the city of lodi

Budget
FY 2007-08

Public Hearing



the city of lodi

Budget
FY 2007-08

Council Action

To: Blair King, Lodi City Manager

From: Marilyn Domingo, John Johnson and Glenda Wall, a sub-committee of the Budget and Finance Committee

Date: May 9, 2007

RE: Potential combination of the Hutchins Street Square Department ("HSS") and the Parks and Recreation Department ("PR")

Summary

Based upon our research, we have concluded that there are benefits to the community in combining HSS with PR. The benefits include:

- Consolidating programming and facilities rental;
- Better utilization of facilities;
- More efficient use of staff;
- Consolidated site for registration and information regarding recreation and leisure activities and for facilities rental; and,
- Potential cost savings over the long-term.

We also have concerns that need to be addressed if a merger is to occur. These concerns include:

- The addition of the maintenance at HSS for the Parks Division staff without additional staffing;
- The potential of redundancies in positions unless all staffing is evaluated;
- The future roles of the HSS Foundation as well as the BOBS; and,
- Location of offices.

Scope of our work

At your request, the Budget and Finance committee formed the sub-committee to investigate this potential merger. Ms. Domingo met with the head of the Parks Division, Mr. Johnson met with the Director of HSS and Mrs. Wall met with the Director of PR. We also met with you and with Jim Krueger, Deputy City Manager, to discuss potential organization charts for a combined entity.

Please understand that our scope did not include a detailed review of personnel nor did it involve determining how a combined department may be staffed. As such, we are not making any recommendations on these issues except for those stated.

Benefits of Consolidation

- **Consolidated Programming and Facilities Rental** – Currently PR and HSS offer many very similar programs (aquatics, dance, choir, camps, etc.) yet each operates their own registration at two locations. A consolidated entity would likely better utilize staff for these programs, maximize facilities and, perhaps most importantly, allow the public to register at one location for all leisure and recreation activities.

Both PR and HSS are involved in facilities rental. Each also recommends rates for those facilities rentals. A consolidated entity would provide the public with “one stop shopping” for these facilities. This would mean a more consistent rate structure for all rentals and may lead to better utilization as customers would be able to consider all venues before making a rental decision.

- **Utilization of Facilities** – We believe that a combined entity would maximize the use of all facilities. As an example, aquatics would be coordinated through one person rather than two such that the indoor and outdoor swimming facilities could be maximized. Programs that are being duplicated could be eliminated so that space is maximized in each program and perhaps the open space could be used for additional programs.

In evaluating facilities, it is our opinion that the relationship with Lodi Memorial Hospital for the senior center and Camp Hutchins needs to be evaluated. We are less concerned with the senior center as senior care is limited. This is not the case with Camp Hutchins as there are several providers of childcare in the area.

Camp Hutchins pays nothing in rent to the city for the space at HSS. It is our opinion that this subsidy gives Camp Hutchins **an** unfair competitive advantage over all other private providers.

In addition, this space could be used as additional rental space for HSS or it could be used for office space for the combined entity.

- **Staff Efficiencies** – A combined entity would allow the director to maximize the staff based upon their level of expertise rather than only their availability. As an example, at HSS, the maintenance people are often asked to “flip tables”, a job function that may be more appropriate for general maintenance or part-time employees that may be available. At the same time, the current HSS maintenance staff could be used in for more technical work within HSS or within the parks system.

- “One Stop Shopping” – As was mentioned above, a combined entity would allow the customers to go to one location and register for programs and/or rent facilities. This will eliminate any confusion within the public as to where to go for what program or facility.

Recommendations and Concerns

- Parks Staff – We are concerned that parks **staff** will be further understaffed through this combination. While there is currently a contract for some maintenance at HSS, the decision may be made that all maintenance be handled by staff. This would place an added burden on an already understaffed division. In 1996, the staffing for parks maintenance was 13.5 acres per man. In 2006, this was 21 acres per man. We are concerned that because HSS is considered a high priority **for** maintenance that the other parks in the system would suffer unless parks maintenance staff are added.
- Staff Evaluation – Before any combination is completed, we are recommending that a full evaluation of all staffing positions be evaluated to maximize efficiencies. As there are some positions which are being duplicated such as aquatics directors, those people need to be reassigned. People that are working outside of their job functions such as the receptionist at HSS that also serves as the Arts and Classes Coordinator need to be placed into their job function with the other role filled by appropriate staff. Part-time positions such as the Youth Commission Liaison also need to be evaluated to see if those roles can be filled by full-time personnel.
- Volunteers and Alternative Work Program (“AWP”) – We believe that a combined entity should maximize the use of volunteers and AWP for things such as “table flipping” that does not require skilled labor.
- HSS Foundation – As we understand it, the role of the **HSS** Foundation has changed from supporting HSS and repaying the debt for the construction of HSS to one of only support. While at least one member of this sub-committee is disappointed that the HSS Foundation will no longer be charged with repaying the debt, we all believe that the HSS Foundation can play a vital role in supporting HSS with maintenance assistance and with financial support for programming.
- The BOBS – The Boosters of Boys and Girls Sports (“BOBS”) has had a long history of coordinating some youth sports (Primarily football, baseball, softball, middle school basketball and soccer.) within Lodi. We would like to see the role of the BOBS expanded to be more like the HSS Foundation. We believe that an expanded role would include financial

and volunteer support for all sports related activities including facilities maintenance. We think it is very important that our city administration determine a way such that the BOBS can assist on a regular basis with maintenance of facilities that are used for sporting activities.

- Offices – We think that one office for a combined entity should be open to the public and that office should be at HSS. We understand that HSS cannot currently house all of the necessary staff after a merger. With that said, staff could remain at the current PR offices but it would be an office that would not be open to the public for registration.

If the PR staff could be moved to HSS, the parks ~~staff~~ could be moved to the current PR offices.

- Online Registration – We believe that to maximize program registration and to reduce staff time for registration that all programs need to have online registration along with online payment. If there are City of Lodi residency and/or age requirements for certain programs or to meet the current tiered registration system, perhaps first time registrants would be required to register in person or the program could be designed to use the account number from City of Lodi utility bills as proof of residency.
- Organization – While we have not prepared an organization chart, we were presented with two alternatives by you. One included an overall director and three divisions – Parks, HSS (*arts* activities) and Recreation – with the other including only two divisions – Parks and Leisure Services which included both arts and recreation. We recommend that the combined entity start with the three division model to ease the transition. Moving to the three division model could be considered in the future and may bring added cost savings.
- Boards and Commissions – Currently there are several boards/commissions that function with PR and HSS. While we did not include this in our scope, it is clear that these will need to be evaluated with a merger.

Conclusion

Based upon our review and research, the benefits of a combined HSS and PR outweigh the concerns and thus we recommend that you move forward with this merger. We also recommend that you address the items which we have identified as concerns.

Copy to: Budget and Finance Committee Members
Jim Krueger, Deputy City Manager, City of Lodi



*Please immediately confirm receipt
of this fax by calling 333-6702*

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT PUBLIC HEARING TO REVIEW AND RECEIVE COMMENTS REGARDING
CITY OF LODI 2007-08 OPERATING AND CAPITAL OUTLAY BUDGET

PUBLISH DATE: SATURDAY, MAY 12, 2007


LEGAL AD

TEAR SHEETS WANTED: Three (3) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: TUESDAY, MAY 8, 2007

ORDERED BY: RANDI JOHL
CITY CLERK


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

DANA R. CHAPMAN
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS Faxed to the Sentinel at 369-1084 at 10:55am (time) on 5/9/07 (date) 2 (pages)
Phoned to confirm receipt of all pages at _____ (time) _____ JLT _____ DRC _____ JMP (initials)



DECLARATION OF POSTING

PUBLIC HEARING NOTICE TO REVIEW AND RECEIVE COMMENTS REGARDING CITY OF LODI 2007-08 OPERATING AND CAPITAL OUTLAY BUDGET

On Friday, May 11, 2007, in the City of Lodi, San Joaquin County, California, a Public Hearing Notice to review and receive comments regarding City of Lodi 2007-08 Operating and Capital Outlay Budget (attached and marked as Exhibit A) was posted at the following locations:

Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 11, 2007, at Lodi, California.

ORDERED BY:

RANDI JOHL
CITY CLERK


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

DANA R. CHAPMAN
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: May 30, 2007

Time: 6:00 p.m.

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, May 30, 2007**, at the hour of 6:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Review and receive comments regarding City of Lodi 2007-08 Operating and Capital Outlay Budget

Information regarding this item may be obtained in the City Manager's Office, 221 West Pine Street, Lodi, (209) 333-6700. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:

Randi Johl
City Clerk

Dated: May 8, 2007

Approved as to form:

D. Stephen Schwabauer
City Attorney